

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4550-01  
Bill No.: HB 1086  
Subject: Attorney General, State; Contracts and Contractors; Consumer Protection;  
Insurance - Property; Property, Real and Personal  
Type: Original  
Date: January 23, 2014

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Bill Summary: This proposal would change the laws regarding contractors who perform building exterior and roof work.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### Section 407.725, RSMo. - Roofing and Building Contractors:

Officials from the **Office of the Attorney General (AGO)** assume this proposal would give their organization new authority to pursue commercial as well as residential roofers for certain violations. AGO officials assume this would result in an increased caseload necessitating at least one additional half time Assistant Attorney General. The AGO would seek additional appropriations as needed to enforce the proposal.

The AGO response included one additional half-time Assistant Attorney General; with salary, equipment, and expense, the AGO estimate of cost to implement this proposal was \$36,859 for FY 2015, \$39,549 for FY 2016, and \$40,036 for FY 2017.

**Oversight** assumes this proposal would result in a relatively limited number of additional cases as compared to the current caseload of residential cases. Oversight assumes the AGO could absorb the costs to implement this proposal with existing resources. If unanticipated costs are incurred or if multiple proposals are implemented which increase the AGO workload, the AGO could request resources through the budget process.

Officials from the **Office of the Secretary of State**, the **Joint Committee on Administrative Rules**, the **Office of Administration - Divisions of Budget and Planning, Facilities Management, Design, and Construction**, and **Purchasing**, the **Department of Insurance**, **Financial Institutions**, and **Professional Registration**, and the **Department of Revenue** assume this proposal would have no fiscal impact on their organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2015  
(10 Mo.)

FY 2016

FY 2017

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

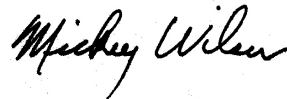
FISCAL DESCRIPTION

This proposal would add commercial contractors to the current prohibition for residential roofing and exterior building contractors against advertising or promising to pay or promising to rebate all or any portion of an insurance deductible as an inducement to the sale of goods or services.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Secretary of State  
Office of the Attorney General  
Joint Committee on Administrative Rules  
Office of Administration  
    Division of Budget and Planning  
    Division of Facilities Management, Design, and Construction  
    Division of Purchasing  
Department of Insurance, Financial Institutions, and Professional Registration  
Department of Revenue



Mickey Wilson, CPA  
Director  
January 23, 2014

Ross Strobe  
Assistant Director  
January 23, 2014